



***Our first care is your health care***

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM

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## NOTICE TO PROVIDERS REGARDING CO-PAYMENT LITIGATION

April 21, 2004

Dear Provider:

As a result of a court order concerning litigation challenging the collection of co-payments for certain AHCCCS populations, **AHCCCS providers are no longer entitled to collect higher co-payments for certain AHCCCS groups effective immediately.** Co-payments for these groups have been changed to reflect the lower amounts that have been in place for other AHCCCS recipients (no copayments for any services other than \$1 for physician office visits and \$5 for non-emergency use of the emergency room). Those members who did not have co-payments in the past such as pregnant women and children still don't. This change takes priority over any information currently displayed on eligibility verification systems of AHCCCS or health plans.

The court order also prohibits providers from denying services to these AHCCCS members when they are unable to pay the reduced co-payment. Please ensure that you immediately communicate this information to your staff so that the lower co-payment fees are implemented and that no services are denied due to inability of the member to pay the co-payment.

The AHCCCS Administration is aware that the terms of reimbursement in your contract with AHCCCS health plans may conflict with the court ruling. Nevertheless, you must comply with the court order. The AHCCCS Health Plans have been advised of the changes to the co-payment schedule arising from the recent court order. We are currently evaluating the impact of the lower co-payment fees, and we will be working with health plans on these issues. Although no further court rulings are anticipated in the near future, we will inform you of new developments regarding this litigation. We apologize for the difficulties associated with the changes to the copayment schedule, and we appreciate your continued cooperation.

If you have any questions concerning this Notice, please contact your health plan provider representative or the AHCCCS Division of Fee for Service Management at 602-417-4241.

Sincerely,

The AHCCCS Administration